

GTL to restructure Mumbai, 13 October 2005

In a Board meeting of the Company held on October 13, 2005, the Board considered the proposals submitted by Consultants for restructuring the Company's business. The Board has appointed an internal committee to initiate the process for the following subject to approval of the Board and the Shareholders:

Sale and transfer of Infrastructure and related business & assets to its wholly owned subsidiary, GTL Infrastructure Ltd. (GIL) through a de-merger/ sale process

Prepare a Scheme for the above including determination of the ratio of GIL shares to be allotted in favour of GTL stakeholders, consequent to the same and compliance with all statutory & regulatory requirements

Merger of GTL Technology Investments Ltd., a wholly owned subsidiary of GTL with GTL. This will enable to consolidate GTL's Investments in International businesses, E-Security, Infrastructure and others on a single platform under GTL

Benefits of re-structuring

The restructuring is expected to yield the following benefits:

For GTL:

Sale and Transfer of assets to GIL, will result in optimization of capital employed for the Company leading to improvement in Return on Capital Employed

Strong relationship with Operators through GIL will result into increased rollout business for the next 3 to 4 years. Over the next three years, almost 160 million cellular lines are expected to be added, entailing an investment of over US \$ 25 billion (Source: Business Today, May 8, 2005)

GTL can look forward to the increased business of service aspects (Network Engineering and allied services) of operations and maintenance

For GIL:

The resources required for an Infrastructure business would be significantly higher and that may be raised with the tax benefits available for an Infrastructure Company

Strategic and Equity partners shall have a choice between a Service Company and an Infrastructure Company

About GTL

GTL is a provider of global enabling services — network engineering, managed services, process implementation solutions and process fulfillment services — to large international enterprises including telecom carriers and Fortune 500 organizations and public agencies. Our service framework consists of nearly 4700 associates working out of global delivery nodes that include Colombo, Dubai, London, Mauritius, Mumbai, New York, Riyadh and Singapore.

Our customer engagements include the public and private sectors in banking, finance and insurance; IT and telecommunications; retail and logistics; FMCG; and health care.

Safe Harbor

This release contains certain predictions, estimates or other information regarding the Company's operations, which are forward looking in nature. While these forward looking statements represent our best current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially and may involve risk and uncertainty. This release does not have any regard to the specific investment objectives, financial situation and particular needs of any specific person. No liability for any loss will arise with the company as a result of the action taken on the basis of information contained herein.

Contact:

Pinakin Gandhi

Vice President – Investor Relations & Corporate Communications
GTL Limited

Tel: +91 (22) 22613010 Ext.: 308

Fax: +91 (22) 22655555

Cell: +91 98201 42200

Email: pinaking@gtllimited.com